

STATE OF DELAWARE THE PUBLIC SERVICE COMMISSION

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| IN THE MATTER OF THE APPLICATION |) | |
|-------------------------------------|---|------------------------|
| OF DELMARVA POWER AND LIGHT |) | |
| COMPANY FOR APPROVAL OF |) | PSC DOCKET NO. 11-381F |
| MODIFICATIONS TO ITS GAS COST RATES |) | |
| (FILED AUGUST 31, 2011) |) | |

NOTICE OF A PUBLIC EVIDENTIARY HEARING

TO: ALL CUSTOMERS OF DELMARVA POWER & LIGHT COMPANY

A Hearing Examiner of the Delaware Public Service Commission (the "Commission") will conduct an evidentiary hearing concerning the above-captioned case (as further explained below) at the following time and location:

| DATE | TIME | LOCATION |
|------------------------|------------|--|
| Monday, April 30, 2012 | 10:00 a.m. | Carvel State Office Building, Third Floor Conference Room 820 North French Street, Wilmington, Delaware 19801 |

On August 31, 2011 Delmarva Power & Light Company ("DP&L" or "the Company") filed with the Commission the above-captioned application seeking approval to modify its Gas Cost Rates ("GCR") effective on November 1, 2011, with proration, as follows: (1)

revise the volumetrically applied GCR factors applicable to the RG, GG, GL, and non-electing MVG Service Classifications; (2) revise the demand charge for the non-electing MVG, electing MVG and LVG and Standby Service Classifications; and (3) reconcile and true-up actual versus estimated monthly Commodity Cost Rate assignments for sales under the LVG and so-called "electing" MVG Service Classifications. In addition, the Company proposed the following revised GCR rates:

| Rate Schedules | Current | Proposed | Change from Current |
|------------------|---------------|---------------|------------------------|
| RG, GG, GL | 94.042¢/ccf | 88.804¢/ccf | (5.2380) ¢/ccf |
| LVG and MVG | \$12.0266/Mcf | \$11.0936/Mcf | (\$0.9330)/Mcf |
| Demand | of MDQ | of MDQ | |
| Non-Electing MVG | \$7.5811/Mcf | \$7.1740/Mcf | (\$0.4071)/Mcf |
| Commodity | | | |
| LVG and Electing | Varies | Varies | N/A |
| MVG | Monthly | Monthly | |
| Commodity | | | |

In the Company's prior GCR case (Docket No. 10-295F), the Commission authorized the Company to amortize the projected \$24.9 million under-recovery over two years in order to mitigate the impact on its customers of a full recovery of that deficit in the 2010-2011 GCR year. The Company's current under-recovered position as of the date of its filing is \$19,759,576, which includes the \$12,430,976 second-year amortization balance from the under-recovered balance in the 2010-11 GCR year. The Company proposes to recover the full under-recovered balance in rates for the 2011-12 GCR year. The Company represents that even allowing for this full recovery of the previously under-recovered balance, the typical residential customer using approximately 120 ccf of

natural gas during a winter month will experience a decrease in his overall bill of 3.7%, or \$6.29.

On September 20, 2011, pursuant to PSC Order No. 8040, the Commission permitted the proposed GCR modifications and other requested revisions to the Company's tariffs to become effective for usage on and after November 1, 2011, with proration and subject to refund, pending further review and final decision by the Commission.

Evidentiary Hearings are conducted to formally introduce evidence into the record and to make available for cross-examination the parties' witness testimony, including testimony that may be offered with respect to any settlement agreement that may be reached prior to the hearings. Members of the public are invited to attend the evidentiary hearings as observers, but only the parties are permitted to present witnesses or cross-examine witnesses. In accordance with 26 <u>Del</u>. <u>C</u>. § 305, the Commission will make its decision concerning this matter on the basis of the evidence of record taken at the public evidentiary hearing and will consider the public comment received at the public comment hearing, which has already taken place on October 25,2011.

Anyone who plans to attend the evidentiary hearing is cautioned to consult the Commission's website on the day of the hearing for cancellation of or changes in the time, place or date of the event. You may review the documents related to this matter during normal business hours in the Commission's Dover office at their office located at 861 Silver Lake Boulevard, Cannon

Building, Suite 100, Dover, Delaware 19904 or on the Commission's website at http://depsc.delaware.gov/naturalgas.shtml. You may also review copies of the documents at the office of the Division of the Public Advocate located at the Carvel State Office Building, 4th Floor, 820 North French Street, Wilmington, Delaware 19801. Please call (302) 577-5077 to arrange for a time to review the documents at that location.

If you wish to request copies of documents in this matter, please submit a Freedom of Information Act Request Form. This form may be found at http://smu.portal.delaware.gov/cgi-bin/mail.php?foia-request&subj=DOS. There is also a link to the Freedom of Information Act Request Form on the Commission's website, http://depsc.delaware.gov/default.shtml. The Commission will respond to your request in accordance with the Freedom of Information Act, 29 Del. C. ch. 100.

If you have a disability and wish to participate, or to review the materials, in these proceedings, please contact the Commission to discuss any auxiliary aids or services you might need to help you. You may contact the Commission in person, by writing, by telephone (including text telephone), by Internet email, or other means.

If you have questions about this matter, you may call the Commission at 1-800-282-8574 (toll-free in Delaware) or (302) 736-7500 (voice and text telephone). You may also send questions by Internet e-mail addressed to malika.davis@state.de.us.